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CC Docket No. 96-45
CC Docket No. 02-6
Request for Review

October 23, 2012

Request for Review
Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
9300 East Hampton Drive
Capitol Heights, MD 20743

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This request for review is filed in response to USAC's Administrator's Decision on Appeal for Funding Year 2011: July 1, 2012 - June 30, 2013, addressed to Fredonia Unified School District 484, and dated October 16, 2012.

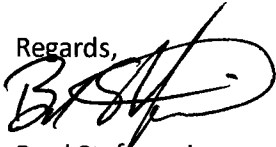
Billed Entity Name	Fredonia Unified School District 484
Billed Entity Number	137711
Form 471 Application Number	850595
Funding Year	2012 (July 1, 2012 – June 30, 2013)

Summary of Request for Review:

I am appealing the decision on FRN 2311595 from 471 application number 850595 to deny the "membership fee" component of the funding request. I have attached documentation showing precedent where members (including this school district) in 2011 were allowed 90% eligibility of this "membership fee".

Thank you for your consideration of this review. If you have further questions or desire additional information, please do not hesitate to contact me.

Regards,



Brad Stefanoni
Southeast Kansas Education Service Center
PO Box 189
Girard, KS 66743
(620)724-6281 – phone
(620)724-6284 – fax
brad.stefanoni@greenbush.org - email

enclosures:

1. USAC Administrator's Decision on Appeal
2. Funding Commitment Decision Letter
3. Precedent documentation from KanREN
4. Copy of KanREN invoice

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Universal Service Administrative Company
Schools & Libraries Division

Administrator's Decision on Appeal – Funding Year 2012-2013

October 16, 2012

Brad Stefanoni
Fredonia Unif School Dist 484
947 West Highway 47
P.O. Box 189
Girard, KS 66743

Re: Applicant Name:	FREDONIA UNIF SCHOOL DIST 484
Billed Entity Number:	137711
Form 471 Application Number:	850595
Funding Request Number(s):	2311595
Decision Letter Date:	July 10, 2012
Date Appeal Postmarked:	October 09, 2012
Your Correspondence Dated:	October 09, 2012

Our records show that your appeal was postmarked more than 60 days after the date your Funding Commitment Decision Letter was issued, as shown above. Federal Communications Commission (FCC) rules require applicants to postmark appeals within 60 days of the date on the decision letter being appealed. FCC rules do not permit the Universal Service Administrative Company (USAC) to consider your appeal.

If you believe there is a basis for further examination of your application, you may file an appeal with the FCC. You should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be POSTMARKED within 60 days of the above date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554. Further information and options for filing an appeal directly with the FCC can be found in the "Appeals Procedure" posted in the Reference Area of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

Schools and Libraries Division
Universal Service Administrative Company



Schools and Libraries Division

FUNDING COMMITMENT DECISION LETTER
(Funding Year 2012: 07/01/2012 - 06/30/2013)

Received & Inspected

July 10, 2012

Oct 31 2012

Brad Stefanoni
FREDONIA UNIF SCHOOL DIST 484
947 West 47 Highway
PO Box 189
Girard, KS 66743

FCC Mail Room

Re: Form 471 Application Number: 850595
Billed Entity Number (BEN): 137711
Billed Entity FCC RN: 0011949245
Applicant's Form Identifier: USD484

Thank you for your Funding Year 2012 application for Universal Service Support and for any assistance you provided throughout our review. The current status of the funding request(s) in the Form 471 application cited above and featured in the Funding Commitment Report(s) (Report) at the end of this letter is as follows.

- The amount, \$42,333.75 is "Approved."

Please refer to the Report following this letter for specific funding request decisions and explanations. The Universal Service Administrative Company (USAC) is also sending this information to your service provider(s) so preparations can begin for implementing your approved discount(s) after you file FCC Form 486, Receipt of Service Confirmation Form. A guide that provides a definition for each line of the Report is available in the Reference Area of our website.

NEXT STEPS

- Work with your service provider to determine if you will receive discounted bills or if you will request reimbursement from USAC after paying your bills in full
- Review technology planning approval requirements
- Review CIPA requirements
- File Form 486
- Invoice USAC using the Form 474 (service provider) or Form 472 (Billed Entity applicant) - as products and services are being delivered and billed

TO APPEAL THIS DECISION:

You have the option of filing an appeal with the SLD or directly with the Federal Communications Commission (FCC).

If you wish to appeal a decision in this letter to USAC, your appeal must be received by USAC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. In your letter of appeal:

1. Include the name, address, telephone number, fax number, and (if available) email address for the person who can most readily discuss this appeal with us.
2. State outright that your letter is an appeal. Include the following to identify the letter and the decision you are appealing:
 - Appellant name,
 - Applicant name and service provider name, if different from appellant,
 - Applicant BEN and Service Provider Identification Number (SPIN),
 - Form 471 Application Number 850595 as assigned by USAC,
 - "Funding Commitment Decision Letter for Funding Year 2012," AND

- The exact text or the decision that you are appealing.
- 3. Please keep your letter to the point, and provide documentation to support your appeal. Be sure to keep a copy of your entire appeal, including any correspondence and documentation.
- 4. If you are the applicant, please provide a copy of your appeal to the service provider(s) affected by USAC's decision. If you are the service provider, please provide a copy of your appeal to the applicant(s) affected by USAC's decision.
- 5. Provide an authorized signature on your letter of appeal.

To submit your appeal to USAC by email, email your appeal to appeals@sl.universalservice.org. USAC will automatically reply to incoming emails to confirm receipt.

To submit your appeal to USAC by fax, fax your appeal to (973) 599-6542.

To submit your appeal to USAC on paper, send your appeal to:

Letter of Appeal
Schools and Libraries Division - Correspondence Unit
30 Lanidex Plaza West
PO Box 685
Parsippany, NJ 07054-0685

If you wish to appeal a decision in this letter to the FCC, you should refer to CC Docket No. 02-6 on the first page of your appeal to the FCC. Your appeal must be received by the FCC or postmarked within 60 days of the date of this letter. Failure to meet this requirement will result in automatic dismissal of your appeal. We strongly recommend that you use the electronic filing options described in the "Appeals Procedure" posted in the Reference Area of our website. If you are submitting your appeal via United States Postal Service, send to: FCC, Office of the Secretary, 445 12th Street SW, Washington, DC 20554.

OBLIGATION TO PAY NON-DISCOUNT PORTION

Applicants are required to pay the non-discount portion of the cost of the products and/or services to their service provider(s). Service providers are required to bill applicants for the non-discount portion. The FCC stated that requiring applicants to pay their share ensures efficiency and accountability in the program. If USAC is being billed via the FCC Form 474, the service provider must bill the applicant at the same time it bills USAC. If USAC is being billed via the FCC Form 472, the applicant pays the service provider in full (the non-discount plus discount portion) and then seeks reimbursement from USAC. If you are using a trade-in as part of your non-discount portion, please refer to our website for more information.

NOTICE ON RULES AND FUNDS AVAILABILITY

Applicants' receipt of funding commitments is contingent on their compliance with all statutory, regulatory, and procedural requirements of the Schools and Libraries Program. Applicants who have received funding commitments continue to be subject to audits and other reviews that USAC and/or the FCC may undertake periodically to assure that funds that have been committed are being used in accordance with all such requirements. USAC may be required to reduce or cancel funding commitments that were not issued in accordance with such requirements, whether due to action or inaction, including but not limited to that by USAC, the applicant, or the service provider. USAC, and other appropriate authorities (including but not limited to the FCC), may pursue enforcement actions and other means of recourse to collect improperly disbursed funds. The timing of payment of invoices may also be affected by the availability of funds based on the amount of funds collected from contributing telecommunications companies.

Schools and Libraries Division
Universal Service Administrative Company

FUNDING COMMITMENT REPORT
Billed Entity Name: FREDONIA UNIF SCHOOL DIST 484
BEN: 137711
Funding Year: 2012

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 850595
Funding Request Number: 2311580
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 141640001006928
SPIN: 143002315
Service Provider Name: CenturyLink United Telephone Co. - Kansas (FKA Embarq)
Contract Number: MTM
Billing Account Number: N/A
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2012
Service End Date: 06/30/2013
Contract Award Date: N/A
Contract Expiration Date: N/A
Shared Worksheet Number: 1443105
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$31,813.32
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$31,813.32
Discount Percentage Approved by the USAC: 75%
Funding Commitment Decision: \$23,859.99 - ERN approved as submitted

FCDL Date: 07/10/2012
Wave Number: 001
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013
Consultant Name: Brad Stefanoni
Consultant Number (CRN): 16062002
Consultant Employer: Southeast Kansas Education Service Center

FUNDING COMMITMENT REPORT
Billed Entity Name: FREDONIA UNIF SCHOOL DIST 484
BEN: 137711
Funding Year: 2012

Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 850595
Funding Request Number: 2311588
Funding Status: Funded
Category of Service: Telecommunications Service
Form 470 Application Number: 141640001006928
SPIN: 143001254
Service Provider Name: Birch Telecom, Inc.
Contract Number: MTM
Billing Account Number: N/A
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2012
Service End Date: 06/30/2013
Contract Award Date: N/A
Contract Expiration Date: N/A
Shared Worksheet Number: 1443105
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$3,151.68
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$3,151.68
Discount Percentage Approved by the USAC: 75%
Funding Commitment Decision: \$2,363.76 - ERN approved as submitted

FCDL Date: 07/10/2012
Wave Number: 001
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013
Consultant Name: Brad Stefanoni
Consultant Number (CRN): 16062002
Consultant Employer: Southeast Kansas Education Service Center

FUNDING COMMITMENT REPORT
Billed Entity Name: FREDONIA UNIF SCHOOL DIST 484
BEN: 137711
Funding Year: 2012



Comment on RAL corrections: The applicant did not submit any RAL corrections.

Form 471 Application Number: 850595
Funding Request Number: 2311595
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 141640001006928
SPIN: 143005645
Service Provider Name: KanREN, Inc.
Contract Number: MTM
Billing Account Number: N/A
Multiple Billing Account Numbers: N
Service Start Date: 07/01/2012
Service End Date: 06/30/2013
Contract Award Date: N/A
Contract Expiration Date: N/A
Shared Worksheet Number: 1443105
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-discount Amount for Eligible Recurring Charges: \$21,480.00
Annual Pre-discount Amount for Eligible Non-recurring Charges: \$.00
Pre-discount Amount: \$21,480.00
Discount Percentage Approved by the USAC: 75%
Funding Commitment Decision: \$16,110.00 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: MR1: The amount of the funding request was changed from \$2,356.66/month to \$1,790/month to remove the ineligible product(s) or service(s): Community Anchor Membership charge - \$666.66/month.

FCDL Date: 07/10/2012
Wave Number: 001
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2013
Consultant Name: Brad Stefanoni
Consultant Number (CRN): 16062002
Consultant Employer: Southeast Kansas Education Service Center

OCT 31 2012

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PRIOR DETERMINATIONS STATE THAT ONLY 10% OF THE MEMBERSHIP FEE IS INELIGIBLE:
2011 FRN:2184650, Fredonia determined 90% eligible
2011 FRN:2171236, Pittsburg determined 90% eligible

***In 2012, KanREN changed membership classification names and rolled the membership fee and service plan into a single membership fee. None of the services provided or support mechanisms have changed. Likewise, all previous justifications and answers to questions regarding the KanREN membership fee have not changed:

1. What exactly does the membership cover? KanREN uses its membership fees to cover our fixed costs of operation. These fees go to pay our technical support staff and administrative staff, as well as equip our staff need to carry out their jobs (including computers, desks, phones, etc.) The ninety percent of our fixed costs that are related to program services would be considered costs of supplying necessary support to our members to keep things running. Members in the extended coverage class will be supported 24/7 by KanREN, and connected through one of KanREN's aggregation routers. Extended coverage membership entitles the member to request multiple connections to the KanREN network for the primary &/or remote sites (actual cost recovery for services and hardware required to be assessed on an individual case basis). Class B members are provided with advanced networking access and connectivity as available through KanREN's network aggregation nodes (IPv6, multicast, etc.).
2. Is this a consulting charge? Not within our organization, though some of the things we do for members might be construed as consulting by USAC. For example, advice on bandwidth trends, etc. to assist with capacity planning, is not considered consultation by KanREN. We extend technical support beyond our own network and into the member's administrative domain. It allows us to help our member resolve issues that exist at the border and into their own network infrastructure.
3. Is the availability to answer questions and provide guidance a consulting charge? Anything up to their border is our responsibility and covered with membership. Items out of the normal scope are charged as consulting fees – for example your question #3.
4. Are the charges for routing design and engineering level assistance consulting charges? Without a membership, those services are charged at an hourly rate consulting fee.
5. Management of site router hardware. Is this for the router only, or does the hardware include additional equipment? If so we need the detail by make and model. It would be for the site router only. We do not manage any other equipment for our members.
6. For the IPv4 and 6 address allocations, we need to know what these charges represent. Use of IPv4 and IPv6 address space. The typical service every ISP gives customers.

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OCT 31 2012

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7. Any costs associated with monitoring, management or consulting are considered ineligible per program rules, and we will need the costs associated with these ineligibles. **KanREN does not actively monitor member sites. Our own network is monitored 24/7 to ensure quality service to its members. The only time a member site is contacted is when there is "down-time" caused by an outage and that is to inform them of such things as: we are aware of the issue and have contacted the appropriate vendor (AT&T, Cox, etc.); passing on updates provided by vendors; expected "up" time.**
8. Any costs associated with the ineligible training events or conferences must also be provided so that they can be removed from requested dollars. **We do not offer training events on a guaranteed basis. This was included in our membership should training be available. We would have to break out any training as it occurred.**

FUNDING COMMITMENT REPORT
Service Provider Name: KanREN, Inc.
SPIN: 143005645
Funding Year: 2011

Received & Inspected
OCT 31 2012
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Name of Billed Entity: FREDONIA UNIF SCHOOL DIST 484
Billed Entity Address: 300 N 6TH ST
Billed Entity City: FREDONIA
Billed Entity State: KS
Billed Entity Zip Code: 66736
Billed Entity Number: 137711
Contact Person's Name: Brad Stefanoni
Preferred Mode of Contact: EMAIL
Contact Information: brad.stefanoni@greenbush.org
Form 471 Application Number: 805543
Funding Request Number: 2184650
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 206790000898005
Contract Number: MTM
Billing Account Number: N/A
Service Start Date: 07/01/2011
Contract Expiration Date: 06/30/2012
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: \$27,685.44
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: \$.00
Pre-Discount Amount: \$27,685.44
Applicant's Discount Percentage Approved by SLD: 77%
Funding Commitment Decision: \$21,317.79 - FRN approved; modified by SLD
Funding Commitment Decision Explanation: MR1: The amount of the funding request was changed from ~~\$2,706.29 per month to \$2,307.12 per month to remove the ineligible services: Class C Basic Connectivity membership \$187.50 (10% ineligible) per month; Assured Service plan \$166.67 per month; Barracuda Service \$45 per month.~~

FCDL Date: 11/22/2011

Wave Number: 023

Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2012

Consultant Name: Brad Stefanoni

Consultant Number (CRN): 16062002

Consultant Employer: Southeast Kansas Education Service Center

90% eligible

FUNDING COMMITMENT REPORT
Service Provider Name: KanREN, Inc.
SPIN: 143005645
Funding Year: 2011

Received & Inspected
OCT 31 2012
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Name of Billed Entity: PITTSBURG UNIFIED DISTRICT 250
Billed Entity Address: 510 DEILL ST
Billed Entity City: PITTSBURG
Billed Entity State: KS
Billed Entity Zip Code: 66762-0075
Billed Entity Number: 137730
Contact Person's Name: Brad Stefanoni
Preferred Mode of Contact: EMAIL
Contact Information: brad.stefanoni@greenbush.org
Form 471 Application Number: 800868
Funding Request Number: 2171236
Funding Status: Funded
Category of Service: Internet Access
Form 470 Application Number: 183180000898273
Contract Number: MTM
Billing Account Number: N/A
Service Start Date: 07/01/2011
Contract Expiration Date: 06/30/2012
Number of Months Recurring Service Provided in Funding Year: 12
Annual Pre-Discount Amount for Eligible Recurring Charges: \$42,195.00
Annual Pre-Discount Amount for Eligible Non-Recurring Charges: \$.00
Pre-Discount Amount: \$42,195.00
Applicant's Discount Percentage Approved by SLD: 81%
Funding Commitment Decision: \$34,177.95 - ERN approved; modified by SLD
Funding Commitment Decision Explanation: ~~MRI: The ERN was modified~~ from \$3373.75 per month to 3516.25 per month to agree with the applicant documentation.
FCDL Date: 01/31/2012
Wave Number: 032
Last Allowable Date for Delivery and Installation for Non-Recurring Services: 09/30/2012
Consultant Name: Brad Stefanoni
Consultant Number (CRN): 16062002
Consultant Employer: Southeast Kansas Education Service Center

See
Attached

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OCT 31 2012

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Lisa

I apologize for not letting you know the results.

My manager interceded and responded to reviewer to approve with a 10% reduction for the ineligible network consulting.

The FRN was completed back in January 2011, and the \$625/mo. was reduced 10% or \$62.50.

Eugene Delmonico
Associate Manager, Technology Services
30 Lanidex Plaza West, Parsippany, NJ 07054
T: (973) 581-6701
F: (973) 599-6545
edelmon@sl.universalservice.org

FRN 2171236



PO Box 442167
Lawrence, KS 66044
tel: 785-856-9800
fax: 785-856-1377
<http://www.kanren.net>

Invoice

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OCT 31 2012

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Date	Invoice #
10/1/2011	11112

Bill To

Fredonia USD 484
Attn: Accounts Payable
PO Box 539
Fredonia, KS 66736

#14050

Terms	Due Date
Net 30	10/31/2011

Units	Description	Rate	Amount
	Services from October 1, 2011 through December 31, 2011		
3	Community Anchor Membership	666.66667	2,000.00
3	Local loop charges, 10 Mbps @ \$167.50 /Mbps	1,675.00	5,025.00
3	Backbone/Internet Connectivity, 10 Mbps @ \$11.50/Mbps	115.00	345.00
	Billing to USAC for E-Rate From 474 (SPI) - PENDING FINAL USAC APPROVAL	-4,134.90	-4,134.90

If you have questions or concerns regarding this invoice, please contact our Business Manager, Lisa Hunkle, by e-mail (lisa@kanren.net) or phone (785-856-9804).
We thank you for your prompt payment!

Total

\$3,235.10